

# Monthly Executive Report

## Financial & Capital Program Updates

As of December 31, 2023



# MONTHLY EXECUTIVE REPORT

## December 31, 2023

### NOTE TO THE READER:

*The following Monthly Executive Report is prepared and used by Louisville MSD for purposes of updating its governing Board of Directors of various operational and financial matters regarding Louisville MSD on a monthly basis. The Report is not prepared to help investors decide whether to purchase or sell financial obligations of Louisville MSD. As such, the Report contains unaudited financial information that may change after the date of the Report. In addition, the Report contains forward-looking statements in the form of financial and operating budgets, performance targets, and other information. These statements are not a guarantee of future performance and actual results may differ. Investors should not consider the enclosed Report a recommendation to purchase or sell financial obligations of Louisville MSD. The Report does not present a complete summary of Louisville MSD's financial or operational position to investors and should not be used in that manner.*

# MONTHLY EXECUTIVE REPORT

## December 31, 2023

**TABLE OF CONTENTS**

<b>SECTION 1: EXECUTIVE SUMMARY .....</b>	<b>6</b>
FINANCIAL HEALTH.....	6
CAPITAL PROGRAM HEALTH .....	7
<b>SECTION 2: FINANCIAL REPORT .....</b>	<b>8</b>
DECEMBER FINANCIAL SUMMARY .....	8
FINANCIAL STATEMENTS – FY24.....	9
Comparative Statement of Net Position.....	9
Statement of Revenues, Expenses & Change in Net Position.....	10
Statement of Cash Flows .....	11
Actual vs. Budget Operating and Maintenance Expenses .....	12
SUPPLEMENTAL FINANCIAL REPORTING.....	13
Revenue by Customer Class.....	13
Wastewater Revenue by County .....	13
Headcount .....	14
Cash Balances .....	15
Current Investment Model .....	16
Monthly Investment Activity .....	17
Commercial Paper Program Summary .....	18
QUARTERLY FINANCIAL REPORTING.....	19
Key Performance Indicators .....	19
Key Performance Indicators – Continued .....	20
Key Performance Indicators – Continued .....	21
Market to Market on Swaps .....	22
Top 20 Customers.....	23
<b>SECTION 3: CAPITAL PROGRAM PERFORMANCE .....</b>	<b>24</b>
FY24 CAPITAL BUDGET BASIS .....	24
FY24 CIP OVERALL PERFORMANCE .....	25
Challenges to CIP Execution.....	26
MONTHLY PROJECT ACTIVITIES .....	26
Emergency Contracts to Repair Infrastructure Damage.....	27
Major Project Highlights .....	29
CIP MANAGEMENT TEAM MEETING HIGHLIGHTS .....	29
PROCUREMENT ACTIVITIES .....	30
Upcoming Construction Bid Openings.....	30
Bid Openings.....	30
Construction - Notice to Proceeds (NTP) Issued.....	30

# MONTHLY EXECUTIVE REPORT

## December 31, 2023

### Acronyms & Abbreviations

AEAP	Additional Early Action Projects
APCD	Air Pollution Control District
AO	Agreed Order
B	Billions
BC	Bullitt County
BCE	Business Case Evaluation
BOD	Biochemical Oxygen Demand
BMP	Best Management Practice
BRIC	Building Resilient Infrastructure & Communities Grant Program
CCWQTC	Cedar Creek Water Quality Treatment Center
CD	Consent Decree
CIP	Capital Improvement Program
CMF	Centralized Maintenance Facility
CMOM	Capacity, Management, Operations, and Maintenance Program
COP	Commencement of Performance
CP	Commercial Paper
CRRP	Critical Repair and Replacement Plan
CSF	Critical Success Factor
CSG	Collections System Group
CSO	Combined Sewer Overflow
CSS	Combined Sewer System
DOW	Kentucky Department of Water
DRGWQTC	Derek Guthrie Water Quality Treatment Center
DRI	Drainage Response Initiative
EAC	Estimate-at-Completion
EAP	Early Action Plan
ENV	Environmental
EPA	Environmental Protection Agency
EPM	Enterprise Program Manager
FEMA	Federal Emergency Management Agency
FEPS	Final Effluent Pump Station
FFWQTC	Floyds Fork Water Quality Treatment Center
FM	Force Main
FPS	Flood Pump Station
FY	Fiscal Year
GASB	General Accounting Standards Board
GIS	Geographical Information System
HCWQTC	Hite Creek Water Quality Treatment Center
HSE	Health and Safety Evaluation
HVAC	Heating, Ventilation, and Air Conditioning
ID	Project Budget Identification Number
IOAP	Integrated Overflow Abatement Plan
IT	Information Technology
JC	Jefferson County
KPDES	Kentucky Pollutant Discharge Elimination System
LG	Louisville Green Biosolids Processing System
LOJIC	Louisville Jefferson County Information Consortium
LTCP	Long Term Control Plan
LWC	Louisville Water Company
M	Millions
MBE/WBE	Minority Owned Business Enterprise/Women Owned Business Enterprise
MCC	Motor Control Center
MEB	Morris Forman WQTC Maintenance Equipment Building
MHI	Median Household Income

# MONTHLY EXECUTIVE REPORT

## December 31, 2023

### Acronyms & Abbreviations - Continued

MFWQTC	Morris Forman Water Quality Treatment Center
MS4	Municipal Separate Storm Sewer System Program
MSD	Metropolitan Sewer District
NMC	Nine Minimum Controls
NOA	Notice of Advisement
NOI	Net Operating Income
NTP	Notice to Proceed
OC	Oldham County
OCEA	Oldham County Environmental Agency
PM	Project Manager
PMIS	Project Information Management System
PSC	Property Service Connection
PS	Pump Station
Q	Quarter of Year
RAS	Return Activated Sludge
RFP	Request for Proposals
RR	Repair and Replacement
RTC	Real Time Control
SCADA	Supervisory Control and Data Acquisition
SIFMA	Securities Industry and Financial Markets Association
SRF	State Revolving Loan Fund Program
SSDP	Sanitary Sewer DP
SWPS	Southwestern Pump Station
TBD	To Be Determined
TSS	Total Suspended Solids
USACE	United States Army Corps of Engineers
USEPA	United States Environmental Protection Agency
VFD	Variable Frequency Drive
WIFIA	Water Infrastructure Finance and Innovation Act
WQTC	Water Quality Treatment Center
WWTF	Wet Weather Treatment Facility
WWPS	Wastewater Pump Station
YTD	Year-to-Date

# MONTHLY EXECUTIVE REPORT

## December 31, 2023

### SECTION 1: EXECUTIVE SUMMARY

The Louisville and Jefferson County Metropolitan Sewer District (MSD) provides wastewater, stormwater and flood protection services to a population of nearly 800,000 throughout the service area. The MSD operating budget supports the day-to-day operation and maintenance of all infrastructure, while the capital budget supports the infrastructure investments through its Capital Improvement Program (CIP). The organization continues to complete important projects; comply with Consent Decree and regulatory requirements; and repair/replace critical assets. This report provides a summary of the financial position and the progress made through December 2023, with respect to Fiscal Year 2024 (FY24) program health and regulatory compliance.

### FINANCIAL HEALTH

A high-level summary of key financial information is presented in the table below. More detailed information is presented in Section 2 of this report.

*Summary of FY24 Financial Information*

Description	Status as of December 31, 2023
<b>Operating Revenues</b>	Year to date, total operating revenues were \$2.6 million favorable to budget (wastewater service charges \$393 thousand unfavorable, drainage service charges \$565 thousand favorable and other operating income \$2.4 million favorable).
<b>Operating Expenses</b>	Service and administrative expenses were \$643 thousand favorable to budget and \$1.5 million more than December 2022. Year to date, service and administrative expenses were \$8.5 million favorable to budget. Contractual Services account for \$4.7 million of the savings to budget, Chemicals account for \$1.9 million.
<b>Interest Expense</b>	Interest expense was \$859 thousand favorable to budget and \$416 thousand less than December 2022. Year to date, interest expense was \$620 thousand favorable to budget.
<b>Statement of Cash Flows</b>	Cash and cash equivalents increased \$9 million in December. Net cash provided by operating activities was \$15.9 million. Net cash used by capital-related financing activities was \$12.4 million. Net cash provided by investing activities was \$5.5 million as investments matured
<b>Commercial Paper Notes</b>	Commercial paper notes outstanding total \$419 million with an average duration to maturity of 98 days.

# MONTHLY EXECUTIVE REPORT

## December 31, 2023

### CAPITAL PROGRAM HEALTH

A high-level summary of the status of key programs and initiatives is presented in the table below. More detailed information is presented in Section 3 of this report.

*Summary of FY24 Capital Program Performance To-date*

Key Programs and Initiatives	Status as of November 30, 2023
<b>Consent Decree and Agreed Order Compliance</b>	All Consent Decree and Agreed Order deadlines have been satisfied through the reporting period.
<b>Emergency Repairs &amp; Reactive Equipment Replacements</b>	One (1) emergency project started in the reporting month. This project will open the CCC gate at Morris Forman which requires an underwater operation.
<b>Cashflow Performance*</b>	Budget Performance Target is \$243.3M as of December 31, 2023. The FY24 forecasted spend is \$242.1M

\*Discussion on Performance Target and Budget Ceiling is found in the Capital Program Performance Section

# MONTHLY EXECUTIVE REPORT

## December 31, 2023

### SECTION 2: FINANCIAL REPORT

The Financial Report is prepared monthly to provide readers with a high-level understanding of MSD's financial position. This report contains information on the following:

- Monthly financial results for December 2023
- Customer Statistics
- Employee Headcount
- Cash Balances
- Investment Summary
- Commercial Paper Program Summary

### DECEMBER FINANCIAL SUMMARY

#### Financial Highlights for the month of December 2023

- Total operating revenues were \$1.1 million favorable to budget
- Service and administrative expenses were \$643 thousand favorable to budget

#### Results of Operations for the month of December 2023

Total operating revenues were \$1.1 million favorable to budget and \$3.6 million more than December 2022. Wastewater service charges were \$712 thousand favorable to budget and \$2.5 million more than December 2022. Drainage service charges were \$71 thousand favorable to budget and \$522 thousand more than December 2022. Other operating revenues were \$366 thousand favorable to budget and \$460 thousand more than December 2022. Year to date, total operating revenues were \$2.6 million favorable to budget (wastewater service charges \$393 thousand unfavorable, drainage service charges \$565 thousand favorable and other operating income \$2.4 million favorable).

Service and administrative expenses were \$643 thousand favorable to budget and \$1.5 million more than December 2022. Year to date, service and administrative expenses were \$8.5 million favorable to budget. Contractual Services account for \$4.7 million of the savings to budget, Chemicals account for \$1.9 million.

Depreciation and amortization expenses were \$2.2 million unfavorable to budget and \$1.8 million more than December 2022. Year to date, depreciation and amortization expenses were \$11.6 million unfavorable to budget. Depreciation expense is being driven by the large number of capital projects that were placed in service in June of 2023. Amortization expense is being driven by GASB 96 reporting standards for Subscription Based Information Technology Assets.

Investment income was \$1.7 million favorable to budget and \$287 thousand more than December 2022. Year to date, investment income was \$5.8 million favorable to budget.

Interest expense was \$859 thousand favorable to budget and \$416 thousand less than December 2022. Year to date, interest expense was \$620 thousand favorable to budget.

#### Statement of Cash Flows

Cash and cash equivalents increased \$9 million in December. Net cash provided by operating activities was \$15.9 million. Net cash used by capital-related financing activities was \$12.4 million. Net cash provided by investing activities was \$5.5 million as investments matured.



# MONTHLY EXECUTIVE REPORT

## December 31, 2023

### FINANCIAL STATEMENTS – FY24

#### Comparative Statement of Net Position

Louisville & Jefferson County Metropolitan Sewer District				
Monthly Comparative Statement of Net Position				
Month Ended, December 31, 2023				
	YTD	YTD		
	Dec-2023	Dec-2022	Variance	Percent
<b>Current Assets</b>				
Unrestricted Cash & Cash Equivalents	\$113,021,429	\$131,628,418	(\$18,606,990)	-14.14%
Sewer & Drainage Receivable	26,438,370	23,563,193	2,875,177	12.20%
Assessment Warrants Receivable	132,250	167,578	(35,327)	-21.08%
Miscellaneous Receivables	1,973,258	(1,049,285)	3,022,543	-288.06%
Inventories	6,164,973	5,711,776	453,197	7.93%
Prepaid Expenses	4,959,254	5,751,320	(792,066)	-13.77%
Restricted Funds	202,480,598	131,719,142	70,761,456	53.72%
Accrued Interest Receivable	587,953	340,553	247,399	72.65%
<b>Total Current Assets</b>	<b>355,758,083</b>	<b>297,832,695</b>	<b>57,925,388</b>	<b>19.45%</b>
<b>Non-Current Assets</b>				
Utility Plant in Service	5,079,330,476	4,737,663,370	341,667,106	7.21%
Accumulated Depreciation	(1,730,351,621)	(1,622,494,994)	(107,856,628)	6.65%
Construction in Progress	409,080,103	493,163,674	(84,083,571)	-17.05%
Subscription Assets	6,554,408	0	6,554,408	0.00%
<b>Net Fixed Assets</b>	<b>3,764,613,366</b>	<b>3,608,332,051</b>	<b>156,281,315</b>	<b>4.33%</b>
<b>Non-Current Receivables</b>	<b>20,633,221</b>	<b>21,647,309</b>	<b>(1,014,088)</b>	<b>-4.68%</b>
<b>Total Assets</b>	<b>4,141,004,670</b>	<b>3,927,812,054</b>	<b>213,192,615</b>	<b>5.43%</b>
<b>Total Deferred Outflow of Resources</b>	<b>48,050,221</b>	<b>70,205,893</b>	<b>(22,155,671)</b>	<b>-31.56%</b>
<b>Total Assets &amp; Deferred Outflow of Resources</b>	<b>4,189,054,891</b>	<b>3,998,017,947</b>	<b>191,036,944</b>	<b>4.78%</b>
<b>Current Liabilities</b>				
Miscellaneous Accounts Payable	(4,137,568)	6,234,717	(10,372,285)	-166.36%
Accounts Payable - Construction	14,425,820	5,316,696	9,109,123	171.33%
Contract Retainage	9,084,014	5,629,929	3,454,085	61.35%
Accrued Interest Payable	15,319,179	13,621,447	1,697,733	12.46%
Current Maturities of Bonds Payable	51,115,000	52,880,000	(1,765,000)	-3.34%
Current Maturities of Subordinate Debt	9,699,464	2,589,874	7,109,590	274.51%
Current Subscription Payable	628,243	0	628,243	0.00%
Deposits Payable	1,848,650	2,085,907	(237,258)	-11.37%
Accrued Salaries & Wages	1,697,909	1,447,155	250,754	17.33%
Accrued Workers' Comp Insurance	1,963,828	1,512,835	450,993	29.81%
Employee Comp Absences Payable	5,190,735	4,822,460	368,274	7.64%
<b>Total Current Liabilities</b>	<b>106,835,273</b>	<b>96,141,022</b>	<b>10,694,252</b>	<b>11.12%</b>
<b>Non-Current Liabilities</b>				
Long-Term Senior Debt Payable	2,419,317,807	2,228,405,000	190,912,807	8.57%
Long-Term Subordinate Debt Payable	258,978,591	375,020,628	(116,042,037)	-30.94%
Other Long-Term Liability	315,023,666	289,299,269	25,724,397	8.89%
<b>Total Non-Current Liabilities</b>	<b>2,993,320,064</b>	<b>2,892,724,897</b>	<b>100,595,167</b>	<b>3.48%</b>
<b>Total Liabilities</b>	<b>3,100,155,337</b>	<b>2,988,865,919</b>	<b>111,289,418</b>	<b>3.72%</b>
<b>Total Deferred Inflow of Resources</b>	<b>38,722,508</b>	<b>54,328,078</b>	<b>(15,605,570)</b>	<b>-28.72%</b>
<b>Total Liabilities &amp; Deferred Inflow of Resources</b>	<b>3,138,877,845</b>	<b>3,043,193,997</b>	<b>95,683,848</b>	<b>3.14%</b>
<b>Net Position</b>	<b>1,050,177,046</b>	<b>954,823,950</b>	<b>95,353,096</b>	<b>9.99%</b>
<b>Total Liabilities, Deferred Inflow of Resources and Net Position</b>	<b>4,189,054,891</b>	<b>3,998,017,947</b>	<b>191,036,944</b>	<b>4.78%</b>

# MONTHLY EXECUTIVE REPORT

## December 31, 2023

### Statement of Revenues, Expenses & Change in Net Position

Louisville & Jefferson County Metropolitan Sewer District							
Monthly Statement of Revenues, Expenses, and Changes in Net Position							
Month Ended, December 31, 2023							
	YTD	YTD	YTD	% YTD	YTD	YTD	% YTD
	Actual	Budget	Variance	Variance	Prior Year	Variance	Variance
<b>Wastewater Charges</b>							
Residential	\$ 88,532,806	\$ 90,497,062	\$ (1,964,256)	-2.2%	\$ 83,021,249	\$ 5,511,557	6.6%
Commercial	51,222,440	50,112,575	1,109,866	2.2%	47,541,693	3,680,747	7.7%
Industrial	13,768,273	12,933,442	834,831	6.5%	12,355,581	1,412,692	11.4%
Other Wastewater	5,204,267	5,629,571	(425,304)	-7.6%	5,765,514	(561,246)	-9.7%
Free Wastewater Charges	(3,396,487)	(3,447,743)	51,256	-1.5%	(3,523,118)	126,631	-3.6%
<b>Total Wastewater Charges</b>	<b>155,331,300</b>	<b>155,724,907</b>	<b>(393,607)</b>	<b>-0.3%</b>	<b>145,160,919</b>	<b>10,170,381</b>	<b>7.0%</b>
<b>Drainage</b>							
Residential	18,384,161	17,865,430	518,731	2.9%	16,826,077	1,558,084	9.3%
Commercial	26,979,050	27,270,008	(290,959)	-1.1%	25,664,969	1,314,080	5.1%
Industrial	3,361,291	3,211,519	149,772	4.7%	3,062,212	299,079	9.8%
Other Stormwater	2,357,147	2,201,120	156,027	7.1%	2,143,269	213,879	10.0%
Free Stormwater Charges	(1,504,533)	(1,536,750)	32,217	-2.1%	(1,447,760)	(56,773)	3.9%
<b>Total Drainage Charges</b>	<b>49,577,116</b>	<b>49,011,327</b>	<b>565,789</b>	<b>1.2%</b>	<b>46,248,767</b>	<b>3,328,350</b>	<b>7.2%</b>
<b>Total Service Charges</b>	<b>204,908,416</b>	<b>204,736,234</b>	<b>172,182</b>	<b>0.1%</b>	<b>191,409,686</b>	<b>13,498,730</b>	<b>7.1%</b>
<b>Other Operating Income</b>	<b>4,710,263</b>	<b>2,249,504</b>	<b>2,460,758</b>	<b>109.4%</b>	<b>3,173,049</b>	<b>1,537,214</b>	<b>48.4%</b>
<b>Total Operating Revenue</b>	<b>209,618,679</b>	<b>206,985,739</b>	<b>2,632,940</b>	<b>1.3%</b>	<b>194,582,735</b>	<b>15,035,944</b>	<b>7.7%</b>
<b>Operating Expenses</b>							
Salaries & Wages	31,621,966	32,217,562	(595,596)	-1.8%	28,579,755	3,042,211	10.6%
Labor Related Overhead	13,929,563	13,421,114	508,449	3.8%	12,948,784	980,779	7.6%
Utilities	8,014,254	8,795,955	(781,701)	-8.9%	8,396,134	(381,880)	-4.5%
Materials & Supplies	4,170,728	4,790,153	(619,425)	-12.9%	4,231,091	(60,363)	-1.4%
Contractual Services	15,281,566	19,955,021	(4,673,455)	-23.4%	15,542,377	(260,811)	-1.7%
Chemicals	3,710,805	5,567,157	(1,856,351)	-33.3%	3,212,113	498,692	15.5%
Fuel	765,692	1,018,990	(253,298)	-24.9%	883,705	(118,014)	-13.4%
Insurance Premiums & Claims	3,842,718	3,667,410	175,308	4.8%	3,558,292	284,426	8.0%
Bad Debt	1,668,409	1,763,204	(94,795)	-5.4%	2,069,608	(401,199)	-19.4%
Other Operating Expense	1,089,657	1,480,375	(390,718)	-26.4%	1,007,032	82,626	8.2%
Mapping/Insurance Recovery	-	-	-	0.0%	-	0	0.0%
Capitalized Overhead	(20,633,780)	(22,242,466)	1,608,686	-7.2%	(19,823,833)	(809,947)	4.1%
Capital Expenses (over)/under applied							
<b>Net Service and Administrative Costs</b>	<b>63,461,578</b>	<b>70,434,475</b>	<b>(6,972,897)</b>	<b>-9.9%</b>	<b>60,605,058</b>	<b>2,856,520</b>	<b>4.7%</b>
Depreciation	62,123,966	52,025,502	10,098,464	19.4%	54,084,101	8,039,865	14.9%
Amortization	2,299,501	754,849	1,544,652	204.6%	782,744	1,516,757	193.8%
<b>Total Depreciation/Amortization</b>	<b>64,423,467</b>	<b>52,780,351</b>	<b>11,643,116</b>	<b>22.1%</b>	<b>54,866,846</b>	<b>9,556,622</b>	<b>17.4%</b>
<b>Total Operating Expenses</b>	<b>127,885,045</b>	<b>123,214,826</b>	<b>4,670,219</b>	<b>3.8%</b>	<b>115,471,903</b>	<b>12,413,142</b>	<b>10.7%</b>
<b>Net Operating Income</b>	<b>81,733,634</b>	<b>83,770,913</b>	<b>(2,037,279)</b>	<b>-2.4%</b>	<b>79,110,832</b>	<b>2,622,802</b>	<b>3.3%</b>
<b>Non-Operating Revenue (Expenses)</b>							
Gain/Loss Disposal of Assets	72,000	-	72,000	0.0%	(737,011)	809,011	-109.8%
Investment Income	12,714,901	6,846,600	5,868,301	85.7%	7,868,207	4,846,694	61.6%
Interest Expense	(49,339,687)	(54,048,976)	4,709,289	-8.7%	(46,021,088)	(3,318,599)	7.2%
<b>Total Non-Operating Revenue (Expenses)</b>	<b>(36,552,785)</b>	<b>(47,202,376)</b>	<b>10,649,590</b>	<b>-22.6%</b>	<b>(38,889,892)</b>	<b>2,337,106</b>	<b>-6.0%</b>
Contributions	(851,269.54)	-	(851,270)	0.0%	203,195	1,054,464	-518.9%
<b>Change in Net Position Before Swaps</b>	<b>44,329,579</b>	<b>36,568,537</b>	<b>7,761,042</b>	<b>21.2%</b>	<b>40,424,135</b>	<b>(3,905,444)</b>	<b>9.7%</b>
<b>Change in Fair Value of Swaps</b>	<b>1,569,082</b>	<b>-</b>	<b>1,569,082</b>	<b>0.0%</b>	<b>(8,632,006)</b>	<b>(10,201,088)</b>	<b>-118.2%</b>
<b>Change in Net Position After Swaps</b>	<b>\$ 45,898,661</b>	<b>\$ 36,568,537</b>	<b>\$ 9,330,124</b>	<b>25.5%</b>	<b>\$ 31,792,129</b>	<b>\$ (14,106,532)</b>	<b>44.4%</b>

# MONTHLY EXECUTIVE REPORT

## December 31, 2023

### Statement of Cash Flows

Louisville and Jefferson County Metropolitan Sewer District		
Statement of Cash Flows		
For the Month Ended, December 31, 2023		
	FY 2024 YTD	FY 2023 YTD
<b>Cash Flows from Operating Activities</b>		
Cash received from customers	\$ 209,735,506	\$ 198,296,421
Cash paid to suppliers	(69,749,858)	(58,957,295)
Cash paid to employees	(32,645,235)	(31,101,438)
<b>Net Cash Provided by Operating Activities</b>	107,340,413	108,237,688
<b>Cash Flows from Capital and Related Financing Activities</b>		
Proceeds from issuance of revenue bonds	97,425,003	-
Proceeds from issuance of bond anticipation note	-	229,468,019
Proceeds from issuance of commercial paper	1,197,585,000	190,000,000
Payments for retirement of bond anticipation note	(226,340,000)	(226,340,000)
Payments for retirement of commercial paper	(943,390,000)	(140,000,000)
Payments for retirement of other subordinated debt	(3,673,945)	(1,504,548)
Payments for interest expense	(58,248,410)	(55,620,911)
Payments for interest on swaps	(1,038,582)	(2,667,453)
Build America bond interest subsidy	5,637,726	5,493,075
Proceeds from capital grants	(52,970)	-
Proceeds from sale of capital assets	72,000	(737,011)
Payments for capital assets	(103,180,112)	(98,046,194)
Proceeds from assessments	375,959	432,716
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	(34,828,331)	(99,522,307)
<b>Cash Flows from Investing Activities</b>		
Purchase of investments	(127,696,437)	(74,740,357)
Maturity of investments	67,313,000	58,890,948
Investment income	3,654,916	(748,543)
<b>Net Cash Provided (Used) by Investing Activities</b>	(56,728,521)	(16,597,952)
Net Increase (Decrease) in Cash and Cash Equivalents	15,783,561	11,941,262
Cash and Cash Equivalents, Beginning of Year	91,786,053	71,854,355
<b>Cash and Cash Equivalents, End of Year</b>	\$ 107,569,614	\$ 83,795,617
<b>Reconciliation of Operating Income to Net Cash provided by Operating Activities</b>		
Income from operations	\$ 81,733,634	\$ 79,110,832
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization	64,423,467	54,866,846
Capitalized Overhead	(20,633,780)	(19,823,833)
Accounts receivable	410,286	3,547,882
Inventories	(353,376)	(449,495)
Prepaid expense	(4,721,404)	(2,802,248)
Accounts payable	(12,263,427)	(3,572,504)
Customer deposits	(293,459)	165,805
Accrued liabilities	(961,528)	(2,805,597)
<b>Net Cash Provided by Operating Activities</b>	\$ 107,340,413	\$ 108,237,688
<b>Non-Cash Capital Financing and Investing Activities</b>		
Contribution of plant, lines and other facilities by developers and property owners	\$ (798,300)	\$ 230,342
Construction costs in accounts payable	23,509,834	10,946,625
Change in fair value of investments	(3,098,195)	(463,715)
Decrease in interest rate swap deferred revenue	(113,232)	(248,475)
Change in fair value - swap agreements	1,569,082	(8,632,006)
Bonds issued for refunding of debt	\$ 271,900,000	\$ -



MONTHLY EXECUTIVE REPORT  
December 31, 2023

**SUPPLEMENTAL FINANCIAL REPORTING**

*Revenue by Customer Class*

	Number of Customers		Revenue by Customer Class		Budget By Customer Class	
	Dec-2023	Dec-2022	Dec-2023	Dec-2022	Dec-2023	Dec-2022
<b>Wastewater</b>						
Residential	236,525	235,784	14,928,928	13,491,415	14,849,113	13,467,468
Commercial	21,919	21,922	7,465,854	6,474,687	6,802,037	6,426,005
Industrial	394	393	2,187,008	1,895,613	2,080,326	2,054,761
<b>Sub-Total</b>	<b>258,838</b>	<b>258,099</b>	<b>24,581,791</b>	<b>21,861,715</b>	<b>23,731,476</b>	<b>21,948,234</b>
<b>Drainage</b>						
Residential	211,188	209,633	3,349,157	2,970,142	3,254,235	3,169,211
Commercial	13,855	14,000	4,461,045	4,377,081	4,531,882	4,982,507
Industrial	277	278	597,485	543,924	564,187	518,716
<b>Sub-Total</b>	<b>225,320</b>	<b>223,911</b>	<b>8,407,688</b>	<b>7,891,147</b>	<b>8,350,303</b>	<b>8,670,434</b>
<b>Grand Total</b>			<b>\$ 32,989,479</b>	<b>\$ 29,752,862</b>	<b>\$ 32,081,779</b>	<b>\$ 30,618,668</b>

*Wastewater Revenue by County*

	Number of Customers		Revenue by Customer Class		Budget by Customer Class	
	Dec-2023	Dec-2022	Dec-2023	Dec-2022	Dec-2023	Dec-2022
<b>Jefferson County</b>						
Residential	224,995	224,374	14,211,775	12,761,223	14,004,939	12,760,398
Commercial	21,523	21,483	7,327,589	6,362,521	6,661,466	6,297,366
Industrial	392	391	2,184,788	1,893,800	2,078,228	2,052,315
<b>Sub-Total</b>	<b>246,910</b>	<b>246,248</b>	<b>23,724,152</b>	<b>21,017,544</b>	<b>22,744,633</b>	<b>21,110,079</b>
<b>Bullitt County</b>						
Residential	4,573	4,559	265,521	229,271	242,747	221,693
Commercial	165	163	85,481	69,175	86,360	78,846
Industrial	1	1	2,126	1,723	2,008	2,356
<b>Sub-Total</b>	<b>4,739</b>	<b>4,723</b>	<b>353,129</b>	<b>300,168</b>	<b>331,114</b>	<b>302,895</b>
<b>Oldham County</b>						
Residential	6,957	6,851	451,632	500,921	601,427	485,377
Commercial	231	276	52,784	42,991	54,211	49,793
Industrial	1	1	95	90	90	90
<b>Sub-Total</b>	<b>7,189</b>	<b>7,128</b>	<b>504,510</b>	<b>544,003</b>	<b>655,729</b>	<b>535,260</b>
<b>Grand Total</b>			<b>\$ 24,581,791</b>	<b>\$ 21,861,715</b>	<b>\$ 23,731,476</b>	<b>\$ 21,948,234</b>

# MONTHLY EXECUTIVE REPORT

## December 31, 2023

### Headcount

The approved fiscal year 2024 operating budget fully funded 679 staffed positions, provided partial funding for 152 vacant positions, bringing the total Budget Approved positions to 831.

The Currently Authorized column includes any positions that have been added or moved since the budget was adopted.

The chart below shows staffing level by division as of December 31, 2023.

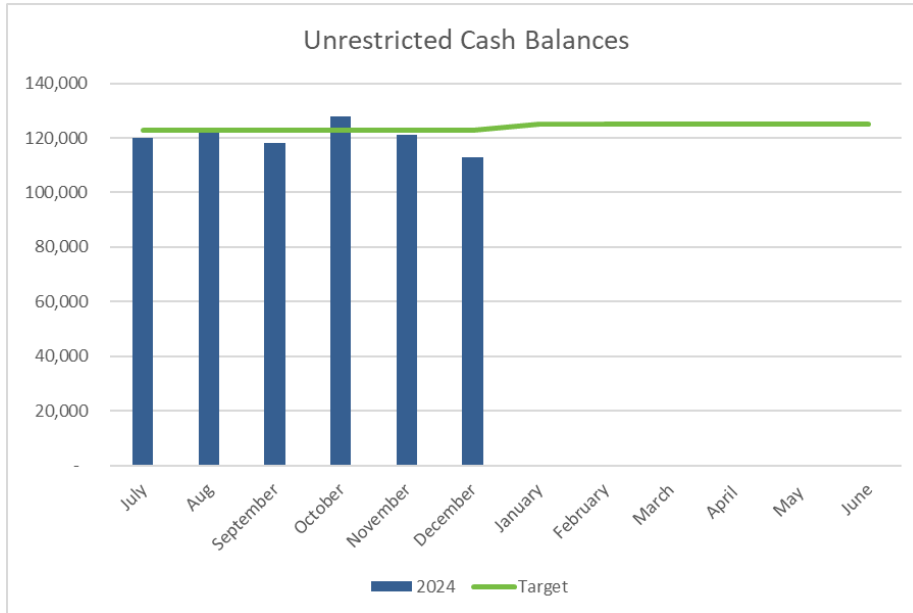
FY24 Headcount by Division			
	Budget Approved	Current Authorized	Filled
Administration			
Community Benefits & Partnerships	8	8	6
Customer Relations	21	20	14
Executive Offices	2	3	3
Government & Public Affairs	7	7	7
Innovation	5	3	3
Internal Audit	4	4	3
Records and Information Governance	9	9	8
Corporate	1	1	1
Engineering	102	102	84
Facilities, Safety & Security	39	40	31
Finance	21	23	20
Human Resources	21	21	19
Information Technology	33	33	32
Legal	12	11	8
Operations	519	520	455
Supply Chain & Economic Inclusion	27	27	21
<b>Total Authorized Positions</b>	<b>831</b>	<b>832</b>	<b>715</b>
*Excludes temporary & seasonal staff			

# MONTHLY EXECUTIVE REPORT

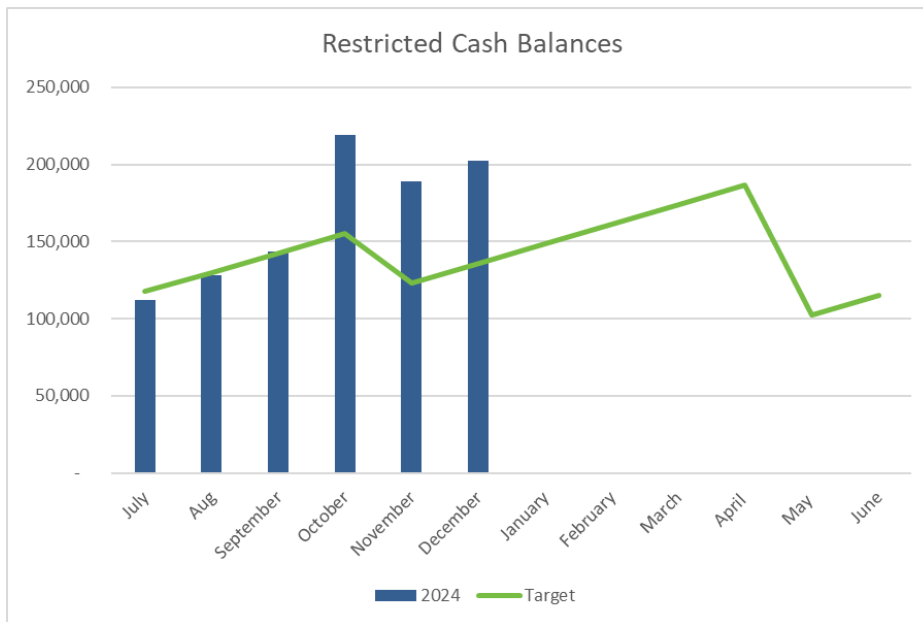
## December 31, 2023

### Cash Balances

Unrestricted cash & cash equivalents generated from service fees and our operating income are used to pay for operating expenses. Unrestricted cash balance is a measure of financial health and supports the underlying credit rating. Low cash balances indicate poor flexibility and inability to manage contingencies.



Restricted cash & cash equivalents are reserved for the purpose of bond debt service, funding of capital construction, cost of issuance, and debt service reserves. MSD supplements its restricted debt service reserve cash and investments with a \$75 million bond surety policy to meet its required level of annual debt service reserve funding.



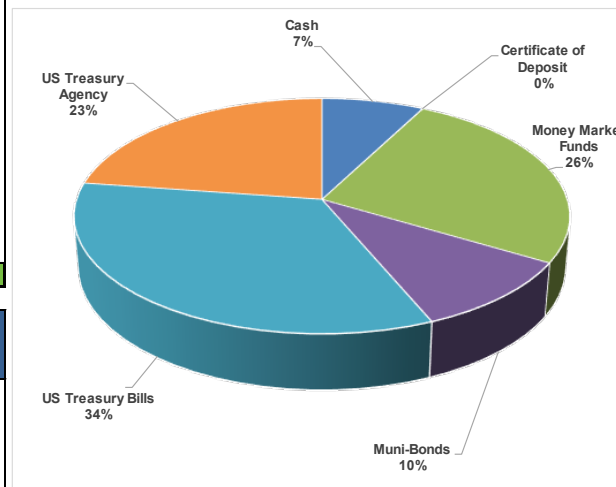
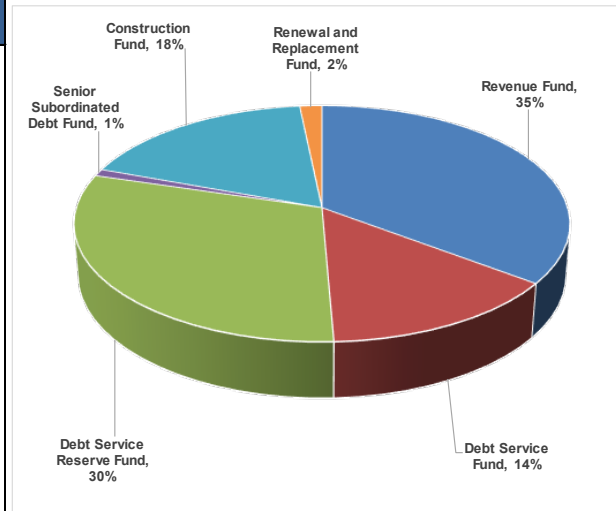
# MONTHLY EXECUTIVE REPORT

## December 31, 2023

### Current Investment Model

MSD's Investment Policy requires distribution of a monthly investment report with an analysis of the status of the portfolio.

Series	Revenue Fund	Debt Service Fund	Debt Service Reserve Fund	Senior Subordinated Debt Fund	Construction Fund	Renewal and Replacement Fund	Total
2008A	-	-	991,915	-	-	-	991,915
2009A	-	-	1,808,211	-	-	-	1,808,211
2009B	-	-	14,176,902	-	-	-	14,176,902
2009C	-	927,040	12,118,278	-	-	-	13,045,318
2010A	-	1,770,075	18,212,151	-	-	-	19,982,226
2013A	-	-	28,774,299	-	-	-	28,774,299
2013B	-	310,255	-	-	-	-	310,255
2013C	-	-	104,945	-	-	-	104,945
2014A	-	1,650,725	-	-	-	-	1,650,725
2015A	-	1,968,722	158,632	-	-	-	2,127,354
2015B	-	2,049,674	-	-	-	-	2,049,674
2016A	-	1,022,940	-	-	-	-	1,022,940
2016B	-	785,212	-	-	-	-	785,212
2016C	-	-	-	-	-	-	-
2017A	-	4,181,653	1,540,576	-	-	-	5,722,230
2017B	-	9,364,060	-	-	-	-	9,364,060
2018A	-	207,749	-	-	-	-	207,749
2020A	-	1,509,416	2,251,988	-	-	-	3,761,404
2020C	-	2,264,016	-	-	-	-	2,264,016
2021A	-	8,098,696	-	-	-	-	8,098,696
2022A	-	1,374,244	-	-	-	-	1,374,244
2023A	-	217,004	-	-	8,049	-	225,053
2023B	-	176,187	-	-	-	-	176,187
2023C	-	6,117,774	14,631,135	-	55,552,497	-	76,301,406
CP 2023 A-1 & A-2	-	-	-	-	-	-	-
CP Note Payment Fund	-	-	-	3,005,066	-	-	3,005,066
Cash	23,855,574	-	-	-	-	-	23,855,574
Certificate of Deposit	100,000	-	-	-	-	-	100,000
Money Market Funds	13,156,122	-	-	-	-	3,136,471	16,292,593
Muni-Bonds	-	-	-	-	-	-	-
US Treasury Bills	28,464,975	-	-	-	-	-	28,464,975
US Treasury Agency	44,738,859	-	-	-	-	2,014,040	46,752,899
<b>Total</b>	<b>\$ 110,315,531</b>	<b>\$ 43,995,443</b>	<b>\$ 94,769,033</b>	<b>\$ 3,005,066</b>	<b>\$ 55,560,545</b>	<b>\$ 5,150,511</b>	<b>\$ 312,796,128</b>



Asset Description	Revenue Fund	Debt Service Fund	Debt Service Reserve Fund	Senior Subordinated Debt Fund	Construction Fund	Renewal and Replacement Fund	Total
Cash	23,855,574	-	-	-	-	-	23,855,574
Certificate of Deposit	100,000	-	-	-	-	-	100,000
Money Market Funds	13,156,122	39,004,143	21,632,896	3,005,066	1,073,445	3,136,471	81,008,143
Muni-Bonds	-	-	31,555,843	-	-	-	31,555,843
US Treasury Bills	28,464,975	-	22,344,200	-	54,487,100	-	105,296,275
US Treasury Agency	44,738,859	4,991,300	19,236,094	-	-	2,014,040	70,980,293
<b>Total</b>	<b>\$ 110,315,531</b>	<b>\$ 43,995,443</b>	<b>\$ 94,769,033</b>	<b>\$ 3,005,066</b>	<b>\$ 55,560,545</b>	<b>\$ 5,150,511</b>	<b>\$ 312,796,128</b>



# MONTHLY EXECUTIVE REPORT

## December 31, 2023

### Monthly Investment Activity

Following is a list of individual investment transactions executed over the last month. Unless otherwise noted, redemptions represent maturities of investments.

Account	Transaction Type	Bank	Securities	Qualified Broker	Amount
2009C Debt Reserve	Redemption	Bank of New York Mellon	Federal Home Loan Mortgage Corp	Cantor Fitzgerald L.P.	(5,000,000.00)
Fifth Third Securities	Purchase	Fifth Third	Federal Home Loan Bank	Fifth Third Securities INC	3,174,616.80
Fifth Third Securities	Redemption	Fifth Third	Federal Home Loan Bank	Fifth Third Securities INC	(3,000,000.00)

MSD's qualified brokers are Cantor Fitzgerald L.P., Fifth Third Securities INC & JP Morgan Securities LLC

# MONTHLY EXECUTIVE REPORT

## December 31, 2023

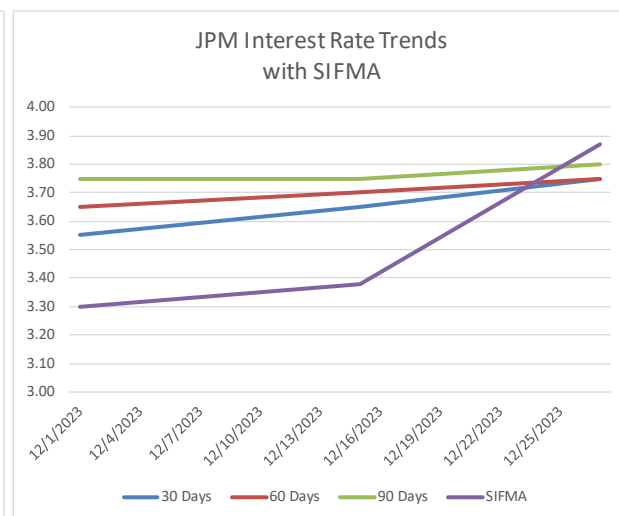
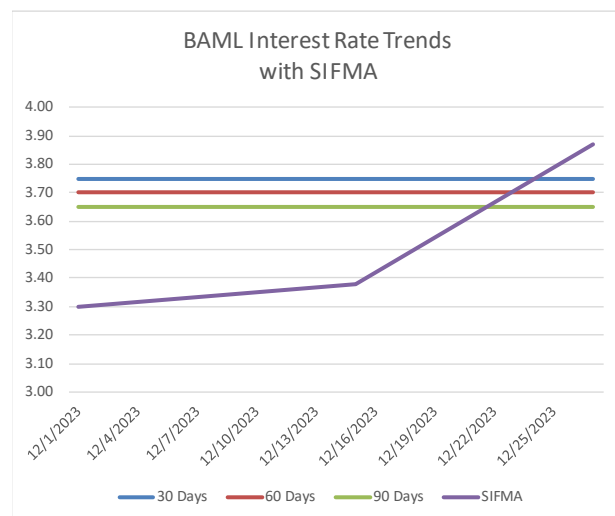
### Commercial Paper Program Summary

MSD operates a \$500 million Commercial Paper (CP) program as part of its overall capital financing program. Liquidity support is provided by JP Morgan Chase and Bank of America, NA. JP Morgan Securities and BofA Securities are dealers for the CP program. In December, we had two notes mature and were replaced with new notes with an average rate of 3.63% and average terms of 30 days. In January, we have 10 notes maturing totaling \$419,195.00.

The CP Construction Fund balance as of December 31, 2023, was \$8,048.57. Outstanding CP notes are currently split 50% with JP Morgan Chase and 50% with Bank of America, NA.

CP Issuance Details										
Currently Outstanding										
Issuance Date	CUSIP	CP Principal	MSD Rate	Term (# of days)	Maturity Date	Dealer (JPM/BAML)	Interest Cost	New Issuance or Roll?	SIFMA Index	Spread over (under) SIFMA
9/22/2023	54660FAP9	20,000,000	3.75%	124	1/24/2024	BAML	254,794.52	Roll	4.31%	-0.56%
9/25/2023	54660FAQ7	30,000,000	3.75%	121	1/24/2024	BAML	372,945.21	Roll	4.31%	-0.56%
9/27/2023	54660HAP5	20,000,000	3.82%	119	1/24/2024	JPM	249,084.93	Roll	3.98%	-0.16%
10/2/2023	54660HAQ3	35,000,000	3.78%	114	1/24/2024	JPM	413,210.96	Roll	3.98%	-0.20%
10/4/2023	54660FAR5	20,000,000	3.80%	112	1/24/2024	BAML	233,205.48	Roll	3.98%	-0.18%
10/4/2023	54660HAR1	35,000,000	3.90%	112	1/24/2024	JPM	418,849.32	Roll	3.98%	-0.08%
10/6/2023	54660FAT1	30,000,000	3.80%	110	1/24/2024	BAML	343,561.64	Roll	3.36%	0.44%
10/6/2023	54660HAT7	10,000,000	3.90%	110	1/24/2024	JPM	117,534.25	Roll	3.36%	0.54%
12/4/2023	54660FAV6	109,598,000	3.70%	30	1/3/2024	BAML	333,298.03	Roll	3.30%	0.40%
12/4/2023	54660HAV2	109,597,000	3.55%	30	1/3/2024	JPM	319,783.03	Roll	3.98%	-0.43%
<b>Currently Outstanding: \$ 419,195,000</b>							<b>\$ 3,056,267</b>			

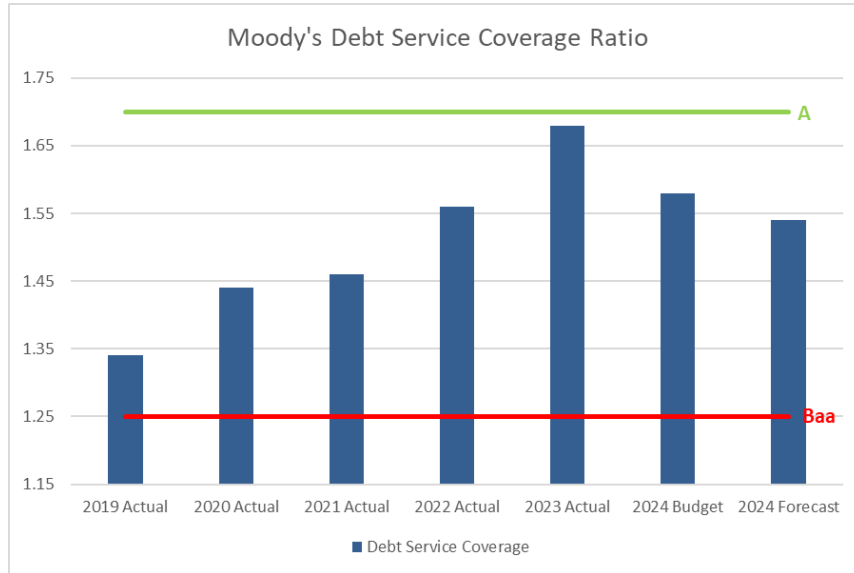
The Securities Industry and Financial Markets Association (SIFMA) publishes a 7-day high-grade market index comprised of tax-exempt Variable Rate Demand Obligations (VRDOs) with certain characteristics. The Index is calculated and published by Bloomberg and is overseen by SIFMA's Municipal Swap Index Committee. The SIFMA is a short-term interest rate index that MSD uses to gauge the interest rates we receive on our CP placements.



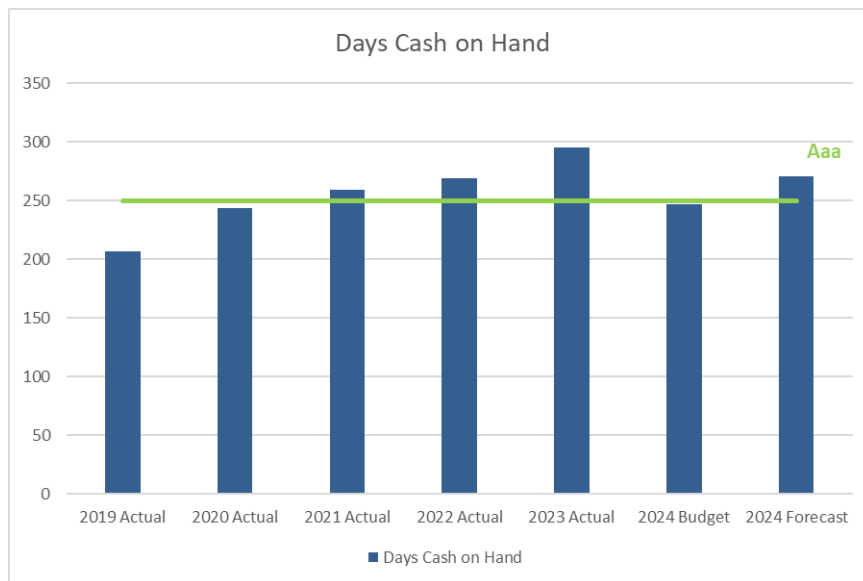
QUARTERLY FINANCIAL REPORTING

Key Performance Indicators

Debt service coverage is a key statistic assessing the financial health of a utility. The magnitude by which net revenues are sufficient to cover debt service shows a utility’s margin to tolerate business risks or declines in demand while still assuring repayment of debt. Higher coverage levels indicate greater flexibility to withstand volatile revenues, unexpected outflows, or customer resistance to higher rates. MSD has different coverage calculations required by ordinance, the General Bond Resolution and in various debt service covenants. However, for benchmarking, we focus on the Moody’s calculation which includes all debt. We strive for continuous improvement of this KPI because our ratio is near the Moody’s Baa boundary relative to our overall Aa3 rating.



Cash is the paramount resource MSD has to meet expenses and navigate business interruptions. Utilities with a lot of cash and cash equivalents are able to survive temporary disruptions and cash flow shortfalls without missing important payments. A low cash balance indicates poor flexibility to manage contingencies. MSD is in the Aaa Moody’s rating range for this KPI.

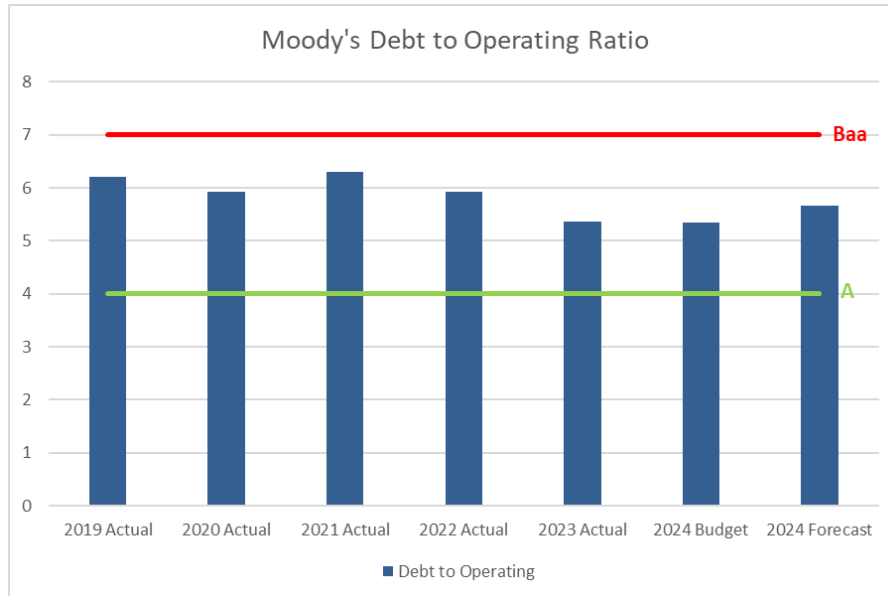


# MONTHLY EXECUTIVE REPORT

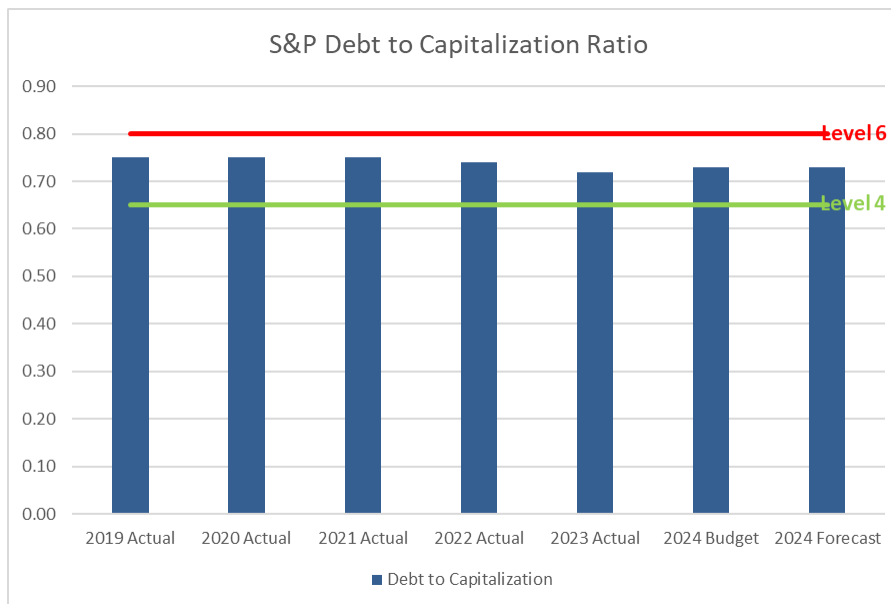
## December 31, 2023

### Key Performance Indicators – Continued

A utility's debt profile determines its leverage and fixed costs. Utilities that carry a lot of debt have less ability to reduce costs if demand shrinks and are generally more challenged to achieve higher debt service coverage. A greater debt burden may also prohibit a utility from funding necessary capital upgrades if a covenant prevents the issuer from incurring the debt necessary to fund those upgrades. MSD focuses on continuous improvement of this KPI because our ratio is near the Moody's Baa boundary relative to our overall Aa3 rating.



S&P Global Ratings evaluates our debt profile using a debt to total capitalization ratio. The objective is similar to what Moodys is evaluating with the debt to operating ratio. S&P considers MSD's debt to capitalization ratio relatively weak relative to our overall rating thus this is another key benchmark for us to monitor.

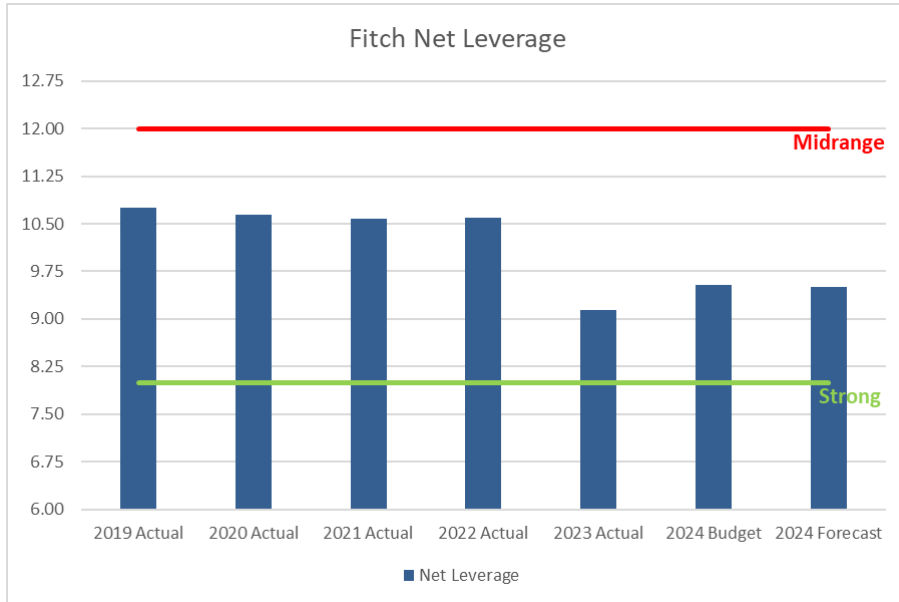


# MONTHLY EXECUTIVE REPORT

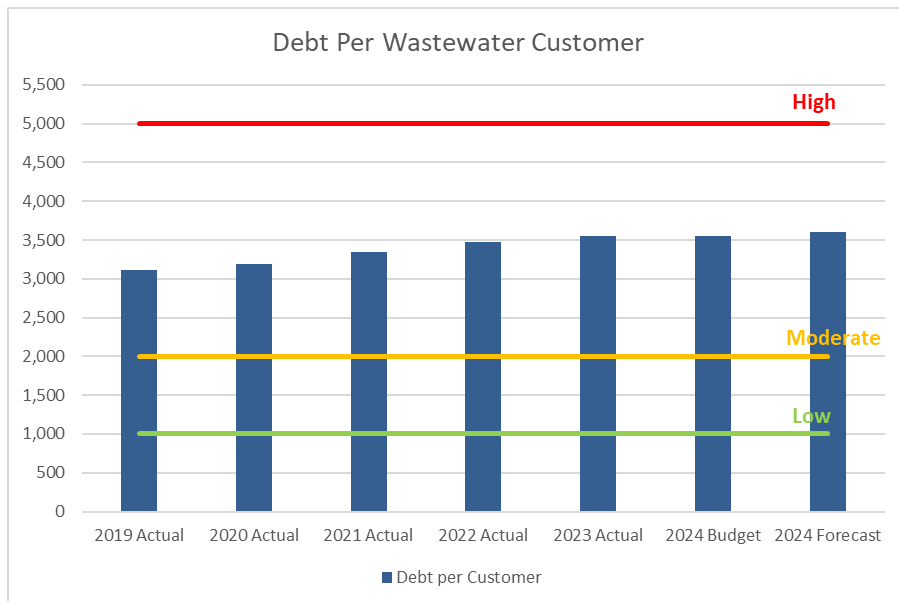
## December 31, 2023

### Key Performance Indicators – Continued

Fitch Ratings assesses the level of financial flexibility that an entity can sustain as it encounters stresses expected to occur over the relevant forecast period. Metrics are used to evaluate the entity's liquidity profile and leverage in the context of the entity's overall risk profile. Reducing operating leverage is generally seen as positive. MSD regularly reviews its Net Leverage profile as calculated by Fitch as a benchmarking measure.



MSD provides Debt per Wastewater Customer for informational purposes. We continue to be in a period where we are incurring more debt that we are paying off because of our spending commitments for the consent decree and to address aging infrastructure.



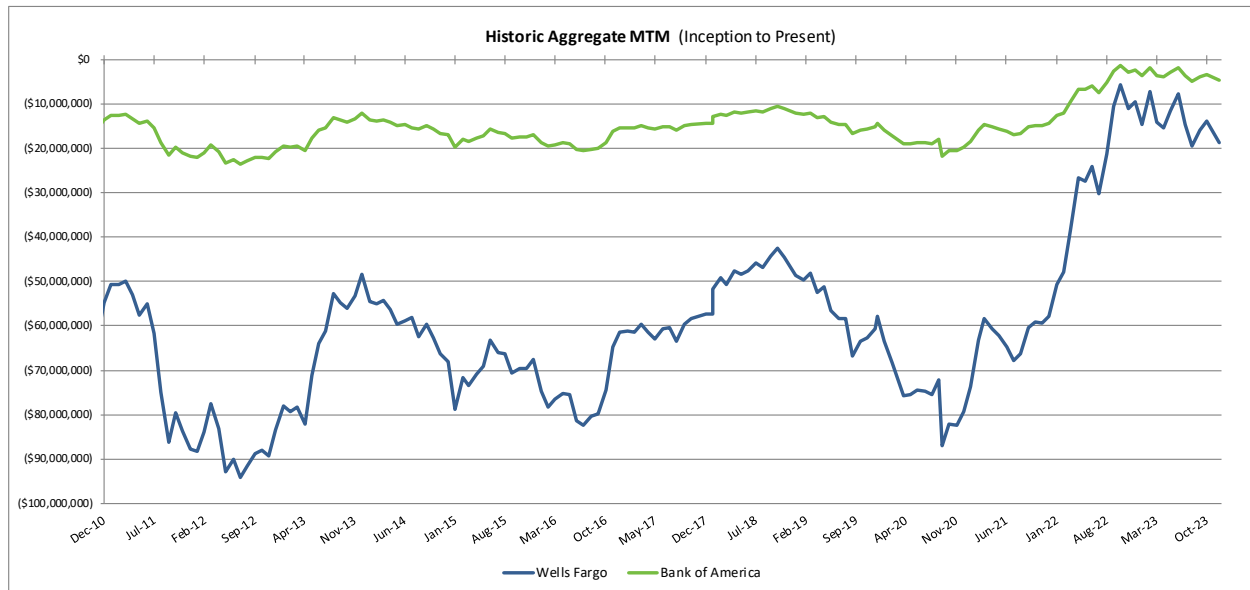
# MONTHLY EXECUTIVE REPORT

## December 31, 2023

### Market to Market on Swaps

#### Swap Valuation December 31, 2023

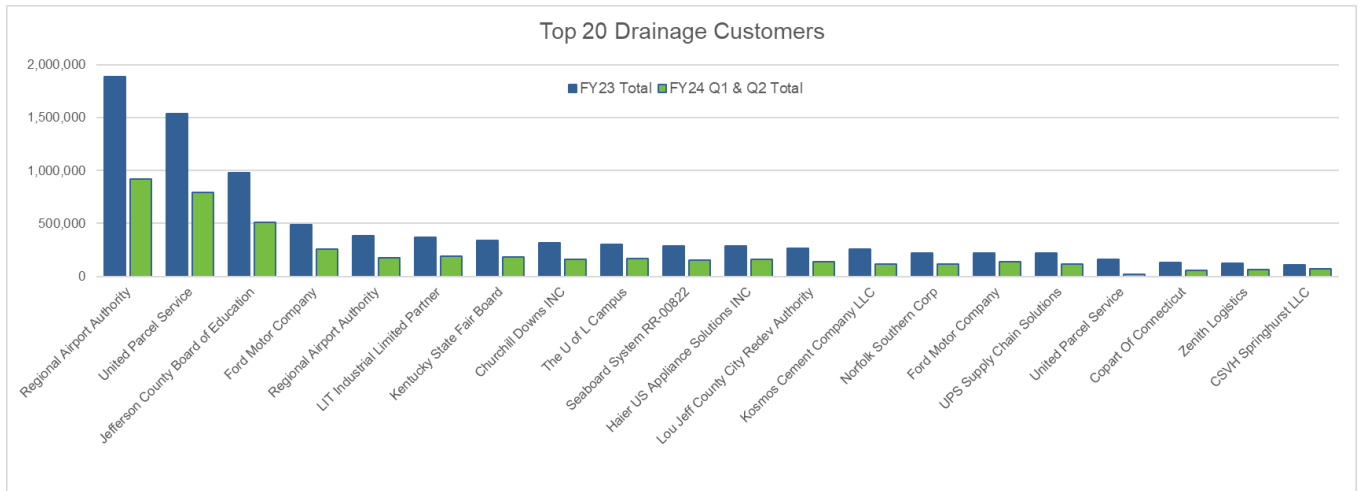
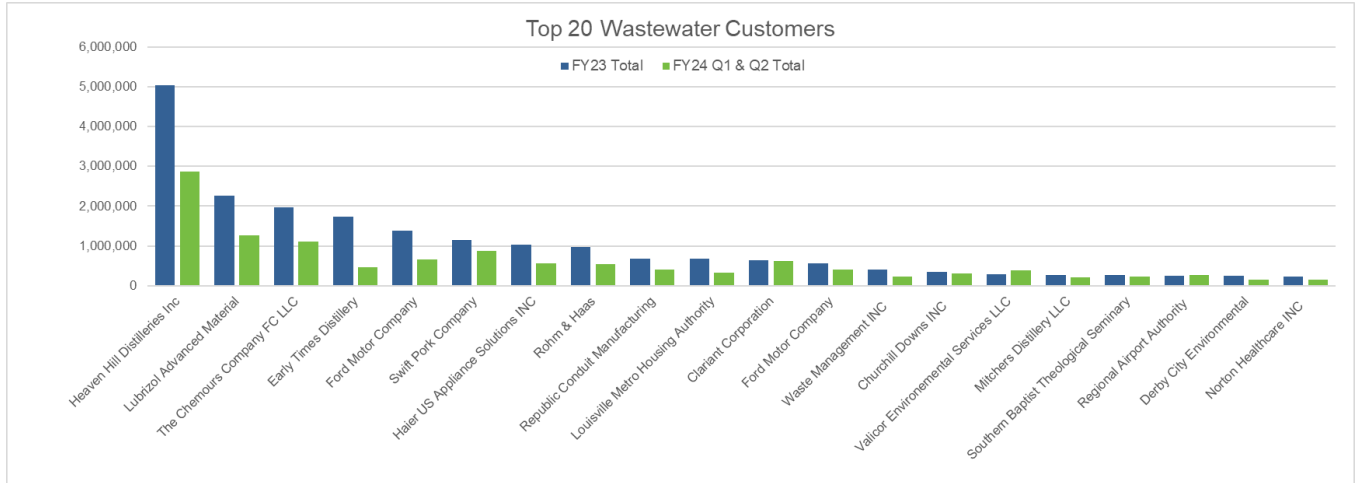
Credit Support Provider	Description	Maturity Date	Notional Amount	Outstanding Notional Amount	Clean Market Value	Accrued Interest	Market-to-Market Value
Wells Fargo NA	1999 - 1 - \$225.732M 67% SOFR Fixed Payer	5/15/2033	180,716,000.00	175,356,000.00	(22,160,637.82)	56,801.68	(22,217,439.50)
Bank of America NA	1999 - 2 - \$56.433 67% SOFR Fixed Payer	5/15/2033	56,433,000.00	43,839,000.00	(5,541,334.99)	14,200.42	(5,555,535.41)
			<b>\$ 237,149,000</b>	<b>\$ 219,195,000</b>	<b>\$ (27,701,973)</b>	<b>\$ 71,002</b>	<b>\$ (27,772,975)</b>



# MONTHLY EXECUTIVE REPORT

## December 31, 2023

### Top 20 Customers



# MONTHLY EXECUTIVE REPORT

## December 31, 2023

### SECTION 3: CAPITAL PROGRAM PERFORMANCE

The Capital Program Performance Section is prepared to provide MSD's Executive Director and the MSD Board with a high-level understanding of progress made with implementing the FY24 CIP, including Consent Decree and other mandated projects, regulatory compliance commitments, and high priority asset management needs. The following information is presented in this report:

- Comparison of forecast and expenditures to the approved FY24 budget performance target (approved budget minus Management Reserve)
- Discussion of change management activities occurring during the reporting period
- Major project highlights and program challenges
- Forecast of upcoming procurement activities

### FY24 CAPITAL BUDGET BASIS

The FY24 CIP budget of \$255.3M for Jefferson, Bullitt, and Oldham Counties was approved by the Board in May 2023.

Many projects span across multiple fiscal years so the annual budget often does not represent the total estimate for the project. Construction spending is dependent upon the Contractor's actual progress with the work contracted. Complex construction projects are difficult to predict exactly how spending will occur each month. Variations in starting project activities, equipment deliveries, weather delays, subsurface conditions, etc. can affect the speed of monthly and annual spending. For large capital projects MSD reviews the Contractor's anticipated rate of spending and compares it with MSD's cashflow forecast on a monthly basis.

FY24 forecasting efforts will be particularly challenging because there are two very large projects in construction simultaneously: MFWQTC Biosolids Facility and Paddy's Run Flood Pump Station. These two projects alone could spend upwards of \$100M in this fiscal year. Additionally, emergency projects have been escalating and must be dealt with even if it required other planned projects to be deferred.

The priorities for the capital program are presented below along with a summary table of the planned 5-Yr CIP (FY24 – FY28).

- **Regulatory Compliance Programs**: Mandates per a federal, state, or local regulation, rule, code, permit, Consent Decree, Agreed Order, or Administrative Order. This includes the provision included in the Second Amendment to the Consent Decree to spend an average of \$25 million per year through 2035 for maintaining MSD's existing wastewater assets. Regulatory compliance projects represent 82-percent of the 5-Year CIP.
- **Wastewater Programs (non-regulatory)**: Through 2035 this program excludes asset management needs and includes development coordination and funding set aside to address infrastructure emergencies. It is envisioned after 2035 this program category will include asset management based work. This program represents 6-percent of the 5-Year CIP.
- **Stormwater & Flood Protection Programs (non-regulatory)**: This program includes infrastructure improvements related to drainage and the Ohio River Flood Protection System that are not mandated by regulatory requirements. This program represents 7-percent of the 5-Year CIP.
- **Support Systems Programs**: This program includes improvements needed to keep MSD's infrastructure operating as intended including vehicles and large equipment; buildings and structures, information technology hardware and software, and general facility improvements. This program represents 3-percent of the 5-Year CIP.
- **Management Reserve**: Funding set aside to assess unforeseen circumstances, emergencies, bids over engineer's estate, and changing/new infrastructure priorities for FY24.



# MONTHLY EXECUTIVE REPORT

## December 31, 2023

Service Type	FY24	FY25	FY26	FY27	FY28	5-Year
Regulatory Compliance Programs	\$ 159,953,000	\$ 210,996,000	\$ 216,395,000	\$ 127,873,000	\$ 72,554,000	\$ 787,771,000
Wastewater Programs (non-regulatory)	\$ 45,685,000	\$ 51,987,000	\$ 55,630,000	\$ 53,372,000	\$ 55,109,000	\$ 261,783,000
Stormwater & Flood Protection	\$ 14,472,000	\$ 15,999,000	\$ 21,182,000	\$ 17,459,000	\$ 10,218,000	\$ 79,330,000
Support Systems Programs	\$ 21,333,000	\$ 7,238,000	\$ 7,869,000	\$ 6,568,000	\$ 7,960,000	\$ 50,968,000
Management Reserve	\$ 13,865,000	\$ 5,850,000	\$ 75,000	\$ 100,000	\$ 1,300,000	\$ 21,190,000
<b>Total</b>	<b>\$ 255,308,000</b>	<b>\$ 292,070,000</b>	<b>\$ 301,151,000</b>	<b>\$ 205,372,000</b>	<b>\$ 147,141,000</b>	<b>\$ 1,201,042,000</b>

### FY24 CIP OVERALL PERFORMANCE

MSD assigned funds to a Management Reserve to fund emergencies and unanticipated priorities. The baseline FY24 budget included \$13.9M in Management Reserve. MSD is reporting cash flow performance excluding this unutilized reserve position. The following new budget performance nomenclature is introduced into this monthly report:

- **Budget Ceiling:** This represents the total annual capital spend approved with the FY24 CIP of \$255.3M inclusive of all projects, appropriations, and Management Reserve funds.
- **Performance Budget Target:** This represents the Budget Ceiling minus the current level of Management Reserve (as captured in G24031, W24032, and Y24032 for Jefferson, Oldham, and Bullitt Counties, respectively). This target, which will change as Management Reserve is utilized, better measures the progress of the working slate of projects.

The overall Capital Budget Performance summary is provided below.

#### Capital Budget Performance Summary

Financial Category	Jefferson	Bullitt	Oldham	Total	Comments
<b>Budget Ceiling</b>	\$244.4M	\$6.4M	\$4.5M	<b>\$255.3M</b>	MSD Board Approved
<b>Management Reserve</b>	\$12.0M	\$0.3M	\$0.9M	<b>\$13.2M</b>	Current
<b>Performance Budget Target</b>	\$232.4M	\$6.4M	\$4.5M	<b>\$243.3M</b>	Budget Ceiling minus Mgmt. Reserve*
<b>Spending Projection</b>	\$232.4M	\$6.1M	\$3.6M	<b>\$242.1M</b>	Forecasted Spend
<b>Actuals</b>	\$79.8M	\$2.5M	\$2.5M	<b>\$84.8M</b>	34.8% of Perf. Target

\*The Performance Budget Target shall not be lower than the Budget Ceiling minus the original Management Reserve value for the FY.

Note: The forecast will continue to evolve throughout the FY based on changes to the program including project schedules and estimates.

# MONTHLY EXECUTIVE REPORT

## December 31, 2023

### Challenges to CIP Execution

Efforts made by staff to meet project schedules and budgets have been impacted by the following:

#### Construction bids

- Reduced the number of respondents or responsive bidders for some procurements.
- Due to unprecedented construction escalation rates, bids are often coming in much higher than anticipated. Some non-regulatory projects will be subject to internal discussion and may be put on hold.

#### Supply-Chain Project Impacts

- Nationwide electronic chip shortage impacting the delivery of new vehicles.
- Supply shortage of material impacting delivery of equipment.
- Shortage of external workforce.

#### Third-Party Coordination Impacts

- Obtaining easements and stakeholder approval have resulted in delays for some projects.
- Contractor learning curve to understand and properly comply with Supplier Diversity requirements is requiring some projects to be re-bid.

### MONTHLY PROJECT ACTIVITIES

MSD's working definitions for each project's schedule activity are as follows:

- **Initiation/ Procurement Activity**: The time when a project in the approved CIP is waiting for planning to be completed; a design Project Manager (PM) assignment; or a consulting Professional Services Agreement Notice-to-Proceed (NTP).
- **Design Activity**: The time from when a project is transitioned from planning to preliminary design through final design, through bidding, until the NTP is issued for construction.
- **Construction Activity**: The time from when a project is issued a NTP through achievement of Substantial Completion of the contracted scope of work.
- **Studies**: Specific projects for assessments, evaluations, studies, and plan development.

A summary of the status of projects active during the reporting period is provided in the tables below.

#### *Summary of Active Non-Appropriation Projects During Reporting Month (Jefferson)*

Current Project Activity	# of Projects	Lifetime Actuals	FY24 Budget	FY24 Actuals
Initiation & Procurement	27	\$2,414,762	\$11,379,000	\$2,414,762
Design	109	\$69,802,089	\$107,196,639	\$12,737,882
Construction	43	\$189,010,521	\$104,431,890	\$48,452,028
Studies	10	\$8,610,820	\$1,959,777	\$1,461,612
<b>TOTAL</b>	<b>204</b>	<b>\$284,635,254</b>	<b>\$229,517,306</b>	<b>\$69,667,520</b>

*Does not include projects in Closeout phase*

## MONTHLY EXECUTIVE REPORT December 31, 2023

### Summary of Active Non-Appropriation Projects During Reporting Month (Oldham)

Current Project Activity	# of Projects	Lifetime Actuals	FY24 Budget	FY24 Actuals
Design	2	\$ 5,956	\$ 110,000	\$ 5,956
Construction	2	\$ 328,752	\$ 920,000	\$ 61,088
<b>TOTAL</b>	<b>5</b>	<b>\$ 10,046,228</b>	<b>\$ 4,455,000</b>	<b>\$ 2,446,882</b>

Does not include projects in Closeout phase

### Summary of Active Non-Appropriation Projects During Reporting Month (Bullitt)

Current Project Activity	# of Projects	Lifetime Actuals	FY24 Budget	FY24 Actuals
Initiation & Procurement	1	\$ -	\$ 10,000	\$ -
Design	15	\$ 2,269,304	\$ 5,470,000	\$ 1,452,863
Construction	2	\$ 546,681	\$ 300,000	\$ 141,850
<b>TOTAL</b>	<b>20</b>	<b>\$ 2,922,104</b>	<b>\$ 5,840,000</b>	<b>\$ 1,689,508</b>

Does not include projects in Closeout phase

### Emergency Contracts to Repair Infrastructure Damage

When emergencies become larger than internal resources can handle and/or present immediate public safety dangers, emergency contracts are executed. MSD issues emergency contracts under the Chief Engineer's and Executive Director's authority. In general, emergencies are any situation that disrupt service to customers and community related to wastewater treatment, stormwater management and flood protection. Often emergencies are due to the condition and age of MSD's assets, while some are due to heavy rain events and saturated soils undermining of pipe infrastructure and drainage runoff has washing away and/or eroding drainage systems. For the past decade MSD had to defer spending for asset management in order to comply with construction of new assets mandated in the Consent Decree to mitigate unauthorized discharges.

Active emergency projects are included in the table below. The amount presented typically reflects the construction contract only. The Budget ID assigned to each project is listed. Projects that are routine in nature and repaired relatively quickly are performed under the annual appropriation FY24 Renewal and Replacement - Budget ID G24001. Projects more complex or requiring more time for completion are assigned a new budget ID.

### Active Emergency Contract Work (Jefferson)

Emergency	Funding Source	Date Began	Emergency Certificate Amount (\$)	Contractor
Tree Line Pump Station	G24001	6/2/2023	\$250,000	TEM Group
DRG AirLine Repair	D21021	11/21/2023	\$100,000	Various Vendors
Odor Mitigation 2024-008	Operations (Cost center 5510311)	9/19/2023	\$250,000	Various Vendors

## MONTHLY EXECUTIVE REPORT December 31, 2023

Emergency	Funding Source	Date Began	Emergency Certificate Amount (\$)	Contractor
9th Street Sewer Repair	G24001	11/6/2023	\$150,000	Basham Construction and Rental
1920 Grand Villa Drive	E21022	11/8/2023	\$50,000	???
Grinstead and Petersen	G24001	11/27/2023	\$150,000	MAC Construction
Underwater Operation MF CCC	G24001	12/1/2023	\$35,000	Allied Underwater Services
MF DAFT Repair	G24001	1/8/2024	\$400,000	Judy Construction
6603 Burlwood Dr. FM Repair	G24001	1/5/2024	\$50,000	Basham Construction and Rental
E Ky Street Brick Sewer Repair	G24001	1/8/2024	\$150,000	Flynn Brothers

*Active Emergency Contract Work (Bullitt)*

Emergency	Funding Source	Date Began	Emergency Certificate Amount (\$)	Contractor
N/A				

*Active Emergency Contract Work (Oldham)*

Emergency	Funding Source	Date Began	Emergency Certificate Amount (\$)	Contractor
N/A				

# MONTHLY EXECUTIVE REPORT

## December 31, 2023

### Major Project Highlights

A major project is defined as one with an FY24 budget larger than \$5M. The following tables list major projects in design and construction.

#### Major Design/Build Projects

Budget ID & Project Name	Substantial Completion	Current EAC	Lifetime Actuals	FY24 Budget	FY24 Actuals	FY24 Spending Projection	Project Outlook
D22100 Morris Forman WQTC New Biosolids Facility	12/8/2027	\$313.8M	\$27.9M	\$47M	\$2.4M	\$35.7M	Stage 2 Construction begins Jan '24
F18515 Paddy's Run Pump Station Capacity Improvements	12/31/2026	\$241.4	\$27.6M	\$45M	\$19.4M	\$55.2M	In Stage 2 Construction Phase

#### Major Projects Under Construction

Budget ID & Project Name	Substantial Completion	Current EAC	Lifetime Actuals	FY24 Budget	FY24 Actuals	FY24 Spending Projection	Project Outlook
D17042 MFWQTC Sedimentation Basin RR	1/15/2025	\$43.4M	\$29.8M	\$11.7M	\$8.6M	\$14.5M	On schedule
H20147 Western Outfall Infrastructure Rehabilitation - Maple St.	4/1/2024	\$19.0M	\$14.8M	\$7.0M	\$6.3M	\$10.5M	On schedule
D22098 CCWQTC Re-rating to 9.0 MGD	4/10/2025	\$10.2M	\$0.8M	\$4.6M	\$0.2M	\$2.5M	On schedule.

### CIP MANAGEMENT TEAM MEETING HIGHLIGHTS

No meeting was held during the reporting month.

# MONTHLY EXECUTIVE REPORT

## December 31, 2023

### PROCUREMENT ACTIVITIES

The table below presents the projects currently advertised. The bid dates represent anticipated dates and are subject to change via addendum.

#### Upcoming Construction Bid Openings

Budget ID	Project Name	Projected Bid Opening
Y24084	BC Pioneer Village UV and Flow Monitoring	2/1/2024
A24132	Southwestern CSO Basin Bar Screen Replacement	2/1/2024
F23059	Water Stop and Concrete Repair	2/1/2024
D23159	CCWQTC Maintenance Offices Roof Replacement	2/5/2024
D23168	MFWQTC Odor Control Chemical Storage Building Roof Replacement	2/12/2024

#### Bid Openings

Bids opened during the reporting month are shown below.

Budget ID	Project Name	Bid Opening	Bid Award
D23161	DRGWQTC Clarifier MCC and Grit Electric MCC Buildings Roof Replacement	12/19/2023	\$ 49,983
H24120	Rowan Pump Station – Air Scour System	12/19/2023	\$ 289,000
C24097	Beargrass Creek_Barrent Hill Road Bank Repair	12/5/2023	\$ 340,315
Y24087	BC Hillview 3 UV and Flow Monitoring	12/12/23	\$ 119,700

#### Construction - Notice to Proceeds (NTP) Issued

The Notice-to-Proceeds issued for projects are listed below.

Budget ID	Project Name	NTP Date
W24131	Ohio River WQTC Telemetry Panel Installation	12/1/2023
F23169	Upper Mill Creek FPS Roof Replacement	12/4/2023
F23171	Shawnee FPS, Sec 1 & 2 Roof Replacement	12/4/2023
H23179	CSO 140 Outfall Reconstruction	12/11/2023

MONTHLY EXECUTIVE REPORT  
**December 31, 2023**

**END OF REPORT**